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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
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In the Matter of)
)
Implementation of the Pay)
Telephone Reclassification)
and Compensation Provisions)
of the Telecommunications Act)
of 1996)

CC Docket No. 96-126

AT&T Corp. Comments on Consolidated Application of
APCC for Review of CEI Orders

Pursuant to the Commission's Public Notice (62 Fed.
Reg. 32809, June 17, 1997) AT&T Corp. ("AT&T") submits the
following comments on the Consolidated Application of
American Public Communications Council ("APCC") for Review
of the CEI Orders ("Application").

The Application shows that it was improper for the
Common Carrier Bureau ("Bureau") to approve the BOCs'
Comparably Efficient Interconnection ("CEI") Plans, because
those plans lack provisions on how BOCs will provide
payphone service providers ("PSPs") a service that enables
them to pass discrete screening codes that identify calls
originating at payphones. This was an unambiguous
requirement of the Commission's Reconsideration Order¹ and

¹ FCC 96-439, released November 8, 1996.

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should have been incorporated in each of the BOCs' CEI Plans.²

Paragraph 64 of the Reconsideration Order specifically states the requirements for the passing of ANI digits:

"Once per-call compensation becomes effective, we clarify that, to be eligible for such compensation, payphones will be required to transmit specific payphone coding digits as part of their ANI, which will assist in identifying them to compensation payors. Each payphone must transmit coding digits that specifically identify it as a payphone, and not merely as a restricted line. We also clarify. . . that LECs must make available to PSPs, on a tariffed basis, such coding digits as a part of the ANI for each payphone" (emphasis added).

This clarification was adopted in response to carriers' arguments that if IXCs only receive the 07 code they will be required to incur the additional expense of a LIDB query for every 07 call in order to identify those 07 calls that originate from payphones. The language in the Reconsideration Order could not be clearer in rejecting the use of ANI coding digits that require payors to do additional processing of any kind to identify payphone calls and pay per-call compensation.

The Application (p. 16) also demonstrates the relevance of these requirements to CEI Plans. BOC PSPs themselves own most payphones, and most of those phones are "dumb" coin

² APCC is incorrect, however, that carriers responsible to track calls from payphones must be required to pay to receive such information from the LECs.

sets which currently pass a discrete 27 identifier. The BOCs' failure to describe how they will provide a nondiscriminatory identification capability to other PSPs in their CEI Plans makes those plans deficient. Further, as APCC notes (p. 17), the Bureau's OLS Waiver Order³ recognized that issues relating to the provision of screening codes in conjunction with per-call compensation should be resolved in this proceeding. Thus, the Bureau erred by failing to address these matters in reviewing the BOCs' CEI Plans and failing to require that the BOCs' CEI Plans include a description of a tariffed service for PSPs that would make this capability available.

APCC (pp. 18-19) is also correct that the screening code refinements in CC Docket No. 91-35⁴ do not resolve these matters. First, any attempt to require carriers to use the LIDB methodology to track payphone calls is expressly proscribed by the Reconsideration Order. Thus, carriers cannot be required to use the LIDB methodology to track payphone calls. Second, APCC correctly notes that unique ANI payphone codes offered in the context of the Flex

³ Policies and Rules Concerning Operator Services and Pay Telephone Compensation, Petition Pertaining to Originating Line Screening, Memorandum Opinion and order, CCB/CPD File Nos. 96-18 et al, released December 20, 1996 ("OLS Waiver Order").

⁴ Policy and Rules Concerning Operator Service Access and pay Telephone Compensation.

ANI service referenced in CC Docket No. 91-35 are only useful for IXC's that subscribe to Flex ANI; that few, if any IXC's subscribe to Flex ANI today; and that Flex ANI will only be useful if carriers subscribe ubiquitously to such a service.

From a carrier's perspective, such a ubiquitous Flex ANI requirement would be both unreasonable and prohibitively expensive. AT&T does not currently subscribe to Flex ANI service, and it has no business plans -- and no independent need -- to do so at this time.⁵ If AT&T were required to purchase Flex ANI connectivity at all LEC central offices solely for the purpose of complying with the per-call compensation rules, AT&T estimates that, at current rates, it would face an implementation expense of \$100 million or more.⁶ The principal recipients of such moneys would be the very LECs who would be the beneficiaries of the per-call compensation payments.

⁵ Accordingly, AT&T has not made plans to make its network technically compatible with the full range of Flex ANI codes. Rather, AT&T has already spent millions of dollars in its ongoing effort to program its switches to recognize the 29 and 70 codes that industry bodies have allotted to calls from inmate phones and "smart" payphones, respectively.

⁶ AT&T's understanding is that the average connection cost is \$1200 per central office per Carrier Identification Code ("CIC"). There are over 1700 LEC central offices and AT&T has at least five (and possibly more) CIC codes that would need to be converted.

This effort by the LECs to require carriers to subscribe to a hugely expensive LEC service they do not otherwise need solely for the purpose of obtaining the information they need to determine which calls are placed from payphones is proscribed by the Reconsideration Order for the same reason that LIDB data dips are proscribed. The Commission clearly ruled that payphones must transmit the specific digits that identify payphones, and foreclosed efforts to require carriers to purchase additional information to perform call tracking. Indeed, it would be inequitable to require carriers, who must already bear the cost of tracking and paying PSPs, to buy unwanted services from the LECs in order to comply with these obligations.

Moreover, AT&T is unable to receive and process the full panoply of Flex ANI codes (i.e. codes other than the payphone-specific codes identified above), and expects that considerable additional development and time would be necessary to enable it to do so. Further, AT&T believes that many other carriers may be unable to receive and process Flex ANI at this time, precluding the adoption of Flex ANI as a universal mechanism for tracking per-call compensation.

Thus, APCC (p. 20) is clearly correct that the BOCs' CEI Plans should be required to state how they will "reconfigure the existing screening codes associated with

access services to which IXCs do subscribe, so that a unique code is available for COCOT service as well as coin line service, [and that] the Commission should require BOCs (and other LECs) to provide PSPs using COCOT lines with a screening code that uniquely identifies their lines as payphone lines (emphasis in original)."⁷

⁷ In one related respect, however, APCC is wrong. IXCs should not have to "subscribe to a separate service that enables them to identified the transmitted [identifying] digits" (Application, n.10). Paragraph 64 of the Reconsideration Order requires that "LECs must make available to PSPs, on a tarified basis, [the required] coding digits as a part of the ANI for each payphone" (emphasis added). The Order makes no reference to charges to carriers for receiving such information. Indeed, given the fact that carriers have extraordinary burdens in tracking and paying per-call compensation, it is appropriate that all of the LECs' costs for transmitting the identifying digits should be recovered in the rates they charge PSPs for such service.


CONCLUSION

For the reasons stated above, the Commission should require the BOCs to modify their CEI Plans and include provisions describing the tariffed services they must provide to PSPs that will enable them to pass specific payphone identifying digits on all calls from payphones.

Respectfully submitted,

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July 2, 1997

CERTIFICATE OF SERVICE

I, Rena Martens, do hereby certify that on this 2nd day of July, 1997, a copy of the foregoing "AT&T Corp. Comments" was mailed by U. S. first class mail, postage prepaid, to the party listed below.

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